



Bureau of Rehabilitation Services (BRS) Update

Order of Selection

July, 2020

HEA-1488, passed April, 2019, outlines a timeline of July 31 for the Division of Disability and Rehabilitative Services (DDRS) to annually assess Vocational Rehabilitation's (VR) available staffing and fiscal resources, the achievement of benchmarks in a plan to provide the full range of needed services to all eligible individuals, and address requirements set forth in 34 CFR 361.36.

A. Available staffing and fiscal resources.

Based on data from June of 2020, of 187 VR Counselor positions, 10 (5%) were in trainee status¹, and 7 (4%) were vacant. This means that only 9% of VR Counselor positions were either vacant or filled with new staff who were in training at the time of this report. This reflects an improvement in comparison to the prior year when almost one-fourth of VR Counselor positions were vacant or filled with staff in trainee status.

Newly hired staff remain in trainee status for at least nine months, and during this time they receive training and do not independently work a caseload. All of their work, including eligibility and priority category determination, developing service plans, and authorizing services, must be reviewed and approved by a Supervisor. Securing sufficient qualified candidates to fill current vacant positions continues to be a challenge.

While VR has experienced an improvement in staffing retention over the past year – likely attributed to staff salary increases implemented in October 2019 – state budget reductions in light of the COVID-19 pandemic will impact the ability to fill vacant positions in SFY21, and likely through SFY23. As outlined by the State Budget Agency, each agency will have a 15% reserve for SFY21. While this does have impact on VR funding, including contractual services, VR is able to sustain the FFY21 budget for client services of \$38M as outlined in the state plan. FFY20 carryover dollars will be directed to FFY21 client services expenses in order to sustain this budget. The amount of FFY20 dollars available for carryover into FFY21 exceeded projections due to factors associated with COVID-19, such as a reduction in applicants during the last quarter of SFY20 and a reduction in staff and participant travel costs.

VR continues to be required to shift 15% of all federal VR dollars to Pre-Employment Transition Services (Pre-ETS) for students with disabilities to comply with the federal earmark requirement. The U.S. Department of Education submitted a waiver request of the 15% reserve requirement. If a waiver is granted, there may be opportunity to shift dollars to client services while sustaining Pre-ETS at a level that ensures momentum is not lost.

¹ VR Counselor Trainees are new staff in training and are not working a caseload independently.

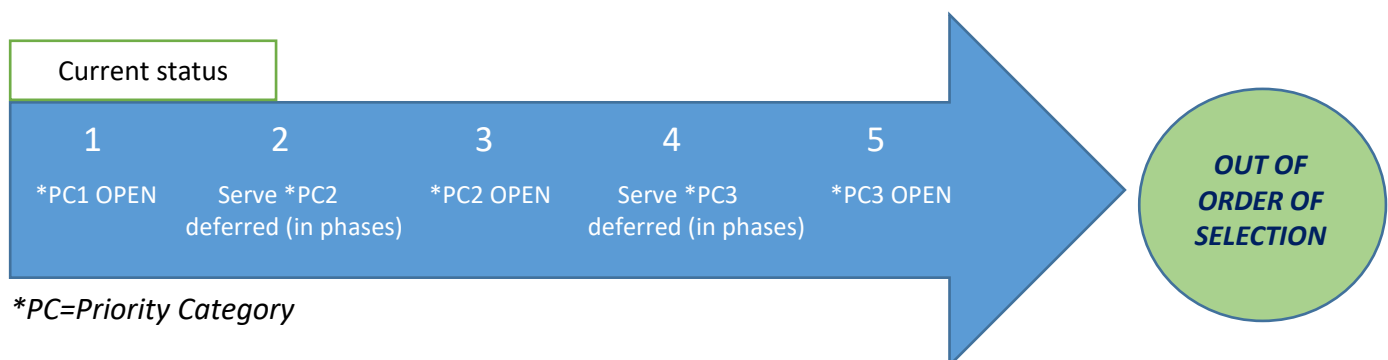
At this time, there are insufficient resources to serve all eligible individuals, particularly in light of recent budget reductions, and therefore an order of selection remains in effect as approved by the U.S. Department of Education, Rehabilitation Services Administration (RSA). Under the order of selection, VR-eligible individuals with the most significant disabilities (MSD) are prioritized for services as federally required, while eligible individuals who do not meet criteria as individuals with a MSD are deferred for services. The ability to release additional individuals from delayed status will continue to be assessed as applicant and expenditure trends are monitored during the coming months.

B. The achievement of benchmarks in a plan to provide the full range of needed services to all eligible individuals.

Capacity building strategies include technology system modernization, blended funding opportunities, and review of VR rules

The ability to progress through all of the required steps toward moving out of the order of selection, including serving individuals deferred for services in order of priority and application date, is dependent on the availability of sufficient staffing and fiscal resources. Over the last two years, VR implemented strategies to build capacity. These include gaining operational and fiscal efficiencies through technology system modernization, identification of blended funding opportunities with the Department of Workforce Development (DWD) to carry out Pre-ETS through the Jobs for America's Graduate (JAG) program, and comprehensive review of current policies and rules to identify cost savings. Savings realized from system modernization were redirected to support a salary increase for VR Counselors in October, 2019.

The graphic below outlines the sequential steps that must be followed in serving individuals in delayed services status, in order of priority and application date as outlined in the VR section of the WIOA state plan as approved by the U.S. Department of Education, Office of Special Education and Rehabilitative Services (OSERS), RSA. An order of selection must be implemented on a statewide basis, in accordance with the Rehabilitation Act.



Step 1:

Step 1 as indicated above is the current status, with all eligible individuals assigned to priority category 1 receiving VR services with no waiting period. Most eligible individuals, approximately 85%, are assigned to priority category 1.

Step 2:

When VR determines that sufficient resources are available, step 2 is to begin serving eligible individuals deferred for services (in delayed services status) who are assigned to priority category 2. These individuals must be served in order of application date and would be released from delayed status in several phases. It is important to understand that disability priority category 2 remains 'closed' until all eligible individuals deferred for services in service priority category 2 are served. This means that during step 2, newly eligible individuals assigned to priority category 2 would continue to experience a waiting period before services could begin.

In February, 2020, VR conducted the first 'release' of eligible individuals in delayed status. Approximately 200 individuals deferred for services, assigned to priority category 2, were released from delayed status. Most of the individuals were no longer in need of services (23%) or unable to be contacted (40%), while 26% began to receive VR services through a service plan, 8% were closed for other reasons (e.g. medical issues), and VR is still making repeated attempts to contact the remaining 3%. In light of the uncertain budget climate, no additional releases are planned at this time, however VR will continue to monitor capacity to continue to progress through step 2.

Step 3:

After all eligible individuals in priority category 2 who have been deferred for services have the opportunity to develop an IPE to initiate services, VR will determine whether fiscal and staffing resources are adequate to progress to step 3, which is opening priority category 2. Once a priority category is open, there is no waiting period for services for individuals assigned to that category.

Step 4:

The process outlined in Step 2 is repeated for individuals in deferred status in priority category 3.

Step 5:

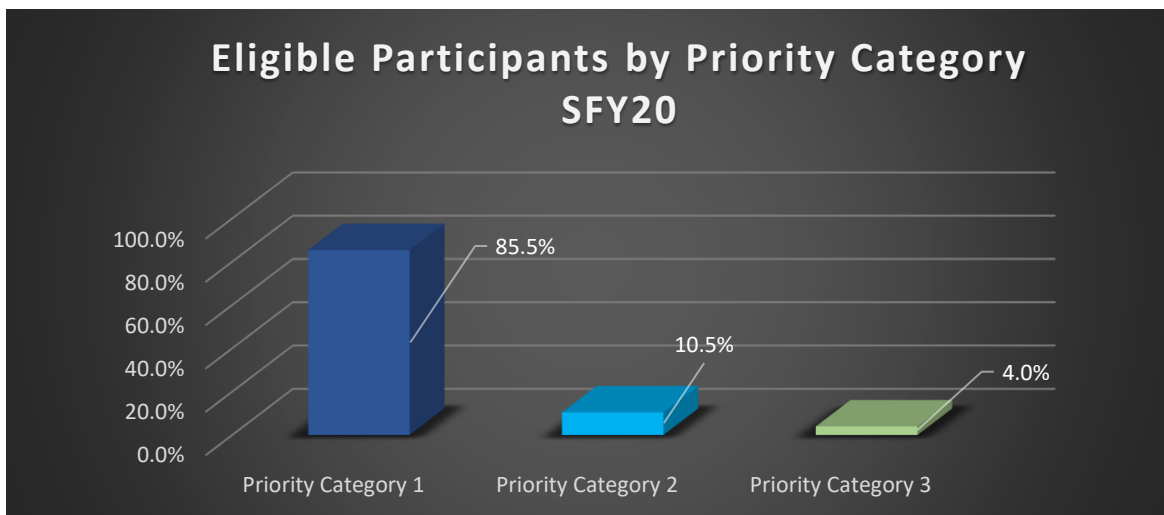
The process outlined in Step 3 regarding priority category 3. Once all disability service priority categories are open, VR moves out of order of selection.

C. Meeting the requirements set forth in 34 CFR 361.36 to provide services to all eligible individuals.

Approximately 85% of VR eligible individuals meet criteria for service priority category 1 and are receiving services.

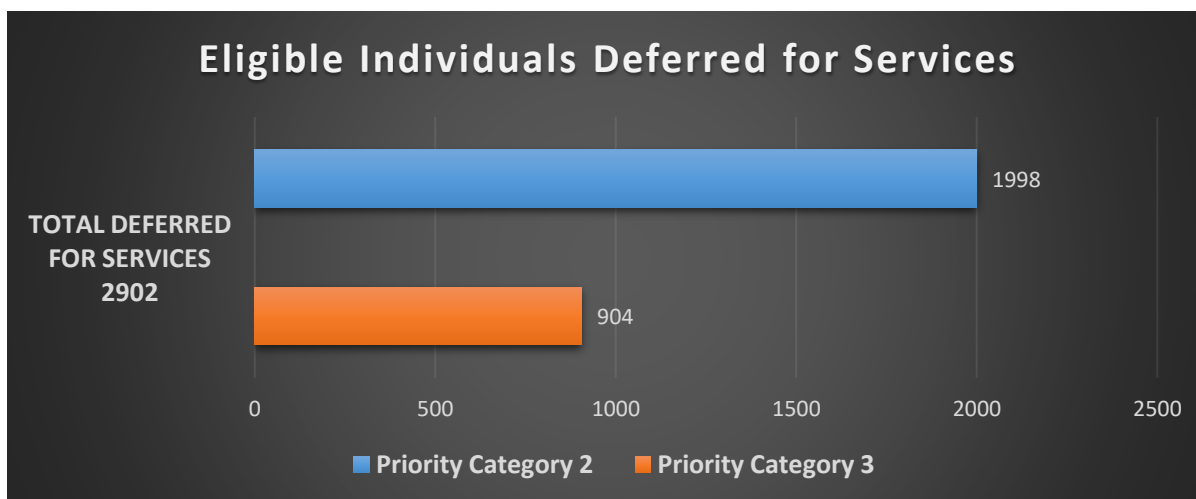
The last assessment as outlined in the VR Section of the Workforce Innovation and Opportunity Act (WIOA) State Plan (completed Spring, 2020), projected a deficit of both staffing and fiscal resources. Since submission of the state plan, further challenges with fiscal and staffing capacity are projected due to budget reductions for SFY21. Since VR is unable to offer the full range of services to all eligible individuals statewide, while meeting all federal timeliness standards and complying with the 15% Pre-ETS earmark, the VR program continues to operate under an order of selection in accordance with 34 CFR 361.36 and the approved WIOA State Plan. Under the order of selection, VR eligible individuals with a MSD are assigned to service priority category 1 and are prioritized for services and served without delay. During SFY20, 85.5% of VR eligible individuals met criteria for service priority category 1. Eligible individuals that did not meet

criteria for service priority category 1, were assigned to priority category 2 or priority category 3, depending on the level of severity of their disability. 10.5% of eligible individuals were assigned to service priority category 2, while 4% were assigned to service priority category 3.



In the last completed federal fiscal year, VR served 13,363 eligible individuals, while 737 eligible individuals were deferred for VR services. Additionally, VR served more than 9,000 students through Pre-ETS in SFY20.

At the time of this report, the order of selection has been implemented for almost three years. As of June 30, 2020, there were 2,902 eligible individuals deferred for VR services. Of those deferred, 1,998 (69%) are assigned to priority category 2, and 904 (31%) are assigned to priority category 3.



D. The division shall report to the commission on rehabilitation services under IC 12-12-2 and the task force established under IC 12-11-15.5 concerning the division's assessment under subsection (d).

BRS will provide this information at upcoming meetings of the Commission on Rehabilitation Services and 1102 Task Force. Both councils are scheduled to meet in September, 2020.